

**South Carolina Department of Health and Human Services
Medically Complex Children (MCC) Waiver
Transition Plan
May 2016**

Introduction

The Center for Medicare and Medicaid Services (CMS) issued a final rule on Home and Community Based Services (HCBS) establishing certain requirements for home and community based services that are provided through Medicaid waivers, like the Medically Complex Children (MCC) Waiver. There are specific requirements for where home and community-based services are received which will be referred to as the “settings requirements.”

CMS requires that each state submit a “Transition Plan” for each waiver renewal or amendment. The Transition Plan outlines how the state will come into conformance and compliance with the HCBS Rule settings requirements. The state must also submit a “Statewide Transition Plan” that outlines how the state will come into conformance with the new requirements of the HCBS Rule for all of its 1915(c) waivers. States must come into full compliance with HCBS Rule requirements by Mar. 17, 2019.

This is the Transition Plan for the MCC Waiver Renewal. Per CMS requirements, this is available for the public to read and comment on before being submitted to CMS for review when the renewal is submitted.

The Transition Plan may change as the state goes through the process of coming into compliance with the HCBS Rule. If this plan undergoes any substantive changes after submission to CMS, the state will make it available again for public comment and input.

South Carolina assures that the settings transition plan included in this waiver renewal will be subject to any provisions or requirements included in South Carolina’s approved Statewide Transition Plan. South Carolina will implement any required changes upon approval of the Statewide Transition Plan and will make conforming changes to its waiver when it submits the next amendment or renewal.

Home and Community Based Settings Requirements

CMS has listed the following as the requirements of settings where home and community based services are provided. They must have the following qualities (per 42 CFR 441.301 (c)(4)):

- The setting is integrated in and supports full access of individuals receiving Medicaid HCBS to the greater community, including opportunities to seek employment and work in competitive integrated settings, engage in community life, control personal resources, and receive services in the community, to the same degree of access as individuals not receiving Medicaid HCBS.
- The setting is selected by the individual from among setting options including non-disability specific settings and an option for a private unit in a residential setting. The setting options are identified and documented in the person-centered service plan and

are based on the individual's needs, preferences, and, for residential settings, resources available for room and board

- Ensures an individual's rights of privacy, dignity and respect, and freedom from coercion and restraint.
- Optimizes, but does not regiment, individual initiative, autonomy, and independence in making life choices, including but not limited to, daily activities, physical environment, and with whom to interact.
- Facilitates individual choice regarding services and supports, and who provides them.

Communications and Outreach – Public Notice Process

Initial Plan Development

SCDHHS formed a workgroup to address and solicit input on how the state could come into compliance with the HCBS rule. This group is composed of members from:

- SC Department of Health and Human Services
- SC Department of Mental Health
- SC Department of Disabilities and Special Needs
- SC Vocational Rehabilitation Department
- Advocacy groups:
 - AARP
 - Family Connection
 - Protection & Advocacy
 - Able South Carolina
- Providers:
 - Local Disabilities and Special Needs Boards
 - Housing providers for mentally ill population
 - Adult Day Health Care Providers
 - Private Providers of Medicaid and HCBS services
- Beneficiaries and family members

The large workgroup broke into sub-groups to address different tasks of coming into compliance with the HCBS Rule. The large group meets monthly to discuss the progress of the sub-groups and to examine issues, concerns and the overall vision of how the state can come into compliance with the new regulation. This includes opportunities to comment on the current Statewide Transition Plan. The MCC waiver transition plan was modeled after the Statewide Transition Plan.

Public Notice and Comment on Waiver Renewal

SCDHHS has developed policy to provide multiple methods of public notice and input on waiver renewals which also includes its accompanying transition plan.

- Per 42 CFR 441.304 (f)(4), Tribal Notification was provided via conference call on May 25, 2016. A follow up email with notification was sent on May 5, 2016.

- The Medical Care Advisory Committee (MCAC) was provided advisories on the MCC 5 year waiver renewal and transition plan on May 3, 2016.
- Public notice for comment on the MCC 5 year waiver renewal and transition plan was posted on the SCDHHS website in June 2016.
- Public notice for comment on the MCC 5 year waiver renewal and transition plan was sent out via the SCDHHS listserv in June 2016.
- Four public meetings will be held to discuss the MCC waiver 5 year renewal proposed changes and its transition plan and what it means for South Carolina beneficiaries. These meetings will be held as follows:
 - Florence, SC June 2, 2016
 - Charleston, SC June 7, 2016
 - Greenville, SC June 9, 2016
 - Columbia, SC June 14, 2016
- Public notice on the MCC 5 year waiver renewal and transition plan, including the draft waiver application document and the waiver transition plan document, was posted on the following websites in June 2016:
 - SCDHHS website (<https://www.scdhhs.gov/public-notice>)
 - Family Connection website (<http://www.familyconnectionsc.org/>)
 - Developmental Disabilities Council website (<http://scddc.sc.gov/>)
- Public notice on the MCC 5 year waiver renewal and Transition Plan was sent out via the SCDHHS listserv in June 2016.
- Printed public notice on the MCC 5 year waiver renewal and transition plan was posted at SCDHHS Jefferson Square/Headquarters Lobby in June 2016.
- A printed copy of the MCC 5 year waiver renewal document and waiver transition plan document were made available for public view and comment at SCDHHS Jefferson Square/Headquarters Lobby in June 2016.
- Public comments will be gathered from the public meetings listed above, from electronic communications sent to SCDHHS, and from any communications mailed to SCDHHS. They will be compiled into a document and attached here.

SCDHHS will review the comments and make changes, if applicable, to the waiver renewal and its transition plan based on public comments.

Assessment of Regulations, Policies, Licensing Standards, and Other Provider Requirements

Process of System-Wide Review

As part of the larger scope of the Statewide Transition Plan, SCDHHS reviewed the regulations, policies, standards, and other provider requirements that directly impact the home and community-based settings of the MCC waiver. They were read and reviewed to determine that the regulation, policy, etc. is not a barrier to the settings standards outlined in the HCBS Rule. The setting for South Carolina, as it relates to this waiver, is:

- Pediatric Medical Day Care

A report was developed detailing the relevant laws, regulations, policies, standards, and directives that correspond with each HCBS settings requirement. A committee of external stakeholders (including providers, advocates, and other state agencies) reviewed the system-wide assessment and document. That group provided feedback to verify the findings of the SCDHHS review.

Outcomes of System-Wide Review

As part of the Statewide Transition Plan, the following standards, rules, requirements, law, regulations, and policies were assessed as they relate to the MCC Waiver:

1. [Department of Health and Human Services, S.C. Code Ann. §§ 44-6-10 et seq.](#)
2. [Department of Health and Human Services S.C. Regs. Chapter 126](#)
3. [SCDHHS Provider Manuals](#)
 - a. CLTC Provider Manual
 - b. SC Medicaid Policy and Procedures Manual
4. [Childcare Facilities, S.C. Code Ann. §§ 63-13-10 et seq.](#)
5. [Regulations for the Licensing of Childcare Facilities, Chapter 114-500](#)

After reviewing these sources, SCDHHS created a spreadsheet detailing which statutes comply with or are in conflict with the corresponding HCBS settings requirements. This is attached in Appendix B of the Statewide Transition Plan found [here](#). If the appendix is silent on any of the above listed resources, then it was noted as silent on the HCB settings requirements.

SCDHHS has identified the following areas as not being fully compliant with the Federal settings regulations and will seek specific action to come into compliance:

1. **SCDHHS Policy Leave of Absence from the State/CLTC Region of a Waiver Participant:**
“Individuals enrolled in Medicaid home and community-based waivers who travel out of state may retain a waiver slot under the following conditions: the trip out-of-state is a planned, temporary stay, not to exceed 90 consecutive days which is authorized prior to departure; the individual continues to receive a waiver service; waived services are limited to the frequency of services currently approved in the participant’s plan of service; waived services must be rendered by South Carolina Medicaid providers; the individual must remain Medicaid eligible in the State of South Carolina.”

- a. This policy does not specifically touch on any of the home and community-based settings requirements, but it may be an unnecessary restriction on a waiver participant. This policy may need further review.

All other laws, regulations, standards, directives, and policies reviewed were either supporting or not objecting to the home and community-based settings regulations and no further action needs to be taken.

Actions to Bring System into Compliance

The Division of Community Options in SCDHHS is responsible for the MCC waiver program. Staff in the division are reviewing the waiver document and related policies and procedures for areas that can be revised. This includes Appendix C-5 and Appendix D in the waiver document application. SCDHHS will use its internal policy management review process for implementing any additions or changes to any MCC-related policies in accordance with standard agency practice. Because these changes cannot go into effect until CMS approval of waiver document, SCDHHS anticipates the changes to be made by January 31, 2017.

Ongoing Compliance of System

Once system policies, procedures, standards, and directives have been updated to reflect the new HCBS requirements, ongoing compliance of the system will be monitored per the updated policies.

The Division of Community Options of SCDHHS serves as the Administrative and the Operating Authority for the Medically Complex Children (MCC) waiver. Community Options utilizes Phoenix as its data system for this waiver. The State Medicaid Agency and the Care Coordination Services Organization (CSO) will meet quarterly to monitor and analyze operational data and utilization from Phoenix to determine the effectiveness of the system and develop and implement necessary design changes. Annually the Medicaid Agency and CSO will review trended data to evaluate the overall quality improvement strategy. This process allows a thorough assessment of areas needing improvement and areas of best practice. Systems improvement for statewide problems can be addressed through a variety of measures which include revision of policies and procedures allowing SCDHHS to ensure compliance with the new HCBS standards.

It is through this established system of quality assurance review that ongoing compliance of HCBS standards will be monitored.

Assessment of Settings

Setting Types

The MCC waiver offers services to be provided in the home or in a community setting.

Private residences. Children may receive MCC services in the home if the parent/legal guardian chooses this type of setting. The HCB regulation allows states to presume a waiver

participant's home meets the requirements of HCB settings, therefore an assessment for compliance with the HCB settings requirements would not be necessary.

Pediatric Medical Day Care. This is a medical day treatment program that provides health and social services needed to ensure the optimal functioning of children with medically complex needs. Children may receive the MCC service of Pediatric Medical Day Care in a licensed child care center setting if the child is assessed for this service and is indicated in their person-centered service plan. There is only one setting in the state.

Setting Assessment Process

This setting was assessed through review of its licensing laws, regulations, and policies and through an initial site visit utilizing the C4 assessment tool. The C4 assessment was designed to evaluate individual facilities to determine compliance with the HCBS criteria outlined in 42 CFR 441.301(c)(4).

Development of the assessment tools and criteria. As detailed in the Statewide Transition Plan, an assessment tool was developed for day (non-residential) facilities. The criteria used to create this tool is outlined in 42 CFR 441.301(c)(4). Additionally, SCDHHS used the exploratory questions issued by CMS for the settings requirements.

Resources to conduct assessment and site visit. Resources to conduct the assessment came from SCDHHS personnel and financial resources.

An initial site visit to this setting was conducted on January 21, 2016, by SCDHHS waiver staff. The site visit included a tour of the facility, discussion with facility staff, and observation.

Assessment review. SCDHHS reviewed the initial assessment and documentation gathered at the time of the site visit to determine if the setting is in compliance. The documentation included the admission packet, transportation agreement, and the family and patient policies. It was noted that this Pediatric Medical Day Care serves children ages 4 weeks up through age 6 years. It is licensed as a Child Care Center per the [licensing requirements](#) required by the SC Department of Social Services (SC DSS).

Outcome

After initial review, it is determined that this setting is compliant with the HCBS settings requirements. Systemically, its licensing laws and regulations are the same as any other child care center facility used by individuals not receiving Medicaid HCB services. Additionally, it meets the HCB settings requirements outlined in 42 CFR 441.301(c)(4) as appropriate for children in the age group served at this facility. Therefore, this environment meets the settings characteristics outlined in the HCBS Rule.

Ongoing Compliance

Ongoing compliance of settings is currently monitored through SCDHHS policies and procedures in addition to regulatory compliance through SC DSS.

As stated previously, the Division of Community Options of SCDHHS serves as the Administrative and the Operating Authority for the Medically Complex Children (MCC) waiver. Community Options utilizes Phoenix as its data system for this waiver. The State Medicaid

Agency and the CSO will meet quarterly to monitor and analyze operational data and utilization from Phoenix to determine the effectiveness of the system, including the provision of the Pediatric Medical Day Care service, and develop and implement necessary design changes. Annually the Medicaid Agency and CSO will review trended data to evaluate the overall quality improvement strategy. For settings compliance, an annual site visit to this facility, conducted by SCDHHS staff or a contracted vendor, will be instituted to ensure its ongoing compliance with HCBS standards. Information gathered from the site visit will be coupled with information reported during the annual unannounced inspection conducted by SCDSS to monitor compliance of this setting. These processes together allows a thorough assessment of areas needing improvement and areas of best practice. SCDHHS to ensure compliance with the new HCBS standards. It is through this enhanced system of quality assurance that the Pediatric Medical Day Care setting ongoing compliance of HCBS standards will be monitored.

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**South Carolina Home and Community Based Services Transition Plan Timeline
Medically Complex Children (MCC) Waiver Renewal**

Section 1. Identification

<i>Action Item</i>	<i>Description</i>	<i>Start Date</i>	<i>End Date</i>	<i>Sources</i>	<i>Stakeholders</i>	<i>Intervention/Outcome</i>
Identify Residential settings	Identify the number and type of residential settings serving individuals in the waiver.	March 2014	April 2014	SCDHHS	SCDHHS	As the services in this waiver are primarily offered at an individual's home, settings are presumed to be in compliance based on setting definitions in the HCBS Rule. No assessment is needed.
Identify other settings	Identify the number of other settings serving individuals in the waiver.	March 2014	April 2014	SCDHHS	SCDHHS	Number of facilities to assess identified.
Regulation and policy identification	Identify regulations, policies, standards, and directives that impact MCC HCB Settings.	October 2014; January 27, 2016	January 2015; January27, 2016	SCDHHS, SCDSS, SC Code of Regulations	SCDHHS, providers	Gather all sources of regulation in advance of systemic review.

Section 2. Assessment						
Action Item	Description	Start Date	End Date	Sources	Stakeholders	Intervention/Outcome
Review existing regulations, policies, standards, and directives for MCC HCB settings	As part of the Statewide Transition plan, conduct review of existing policies, qualification standards, licensure regulations, etc. for MCC HCB settings to determine conformance to HCBS rule using CFR language as the rubric.	October 2014; January 27, 2016	January 2015; January 27, 2016	SC Code of Regulations, SCDHHS policies, SCDSS regulations and policies	SCDHHS, provider	Determine compliance with HCB standards.
Develop day facility assessment tool	Create an assessment tool for day service providers to evaluate compliance with settings requirements	July 2014	October 2014	CMS guidance, CFR, State developed assessment tools	SCDHHS, provider	Assessment tool is developed
Submit assessment tools for review	Non-residential assessment tool submitted to CMS and the large stakeholder workgroup for review and feedback	August 2014	October 2014	Draft assessment tool	SCDHHS, providers	Incorporate appropriate revisions into tool.
Conduct pilot test of assessment tools	Assessment tool was sent to a sample of providers to test and determine if revisions were needed. Clear instructions on completion of the tool were developed from this pilot.	January 12, 2015	March 31, 2015	Draft assessment tool	SCDHHS, providers	Test assessment tool to ensure accurate data is gathered.

Section 2. Assessment continued						
Action Item	Description	Start Date	End Date	Sources	Stakeholders	Intervention/Outcome
Revise assessment tool and develop instructions	The assessment tool was revised as needed after the pilot testing. Clear instructions were developed for completion of the assessment.	March 19, 2015	April 30, 2015	Draft assessment tool	SCDHHS, providers	Finalize tool for distribution.
Conduct site visit at provider facility	SCDHHS conducted initial site visit on facility to determine if any corrective action is needed to meet new standards.	January 21, 2016	January 21, 2016	Assessment tool, enrolled provider, HCBS standards	SCDHHS, provider, beneficiaries, families	Determination if setting is subject to the CMS heightened scrutiny process
Review of assessment data	SCDHHS reviewed the data from provider and the independent site visit to determine if the facility is in compliance.	January 27, 2016	January 27, 2016	Site visit data, provider documentation, HCBS standards	SCDHHS, provider	Results identify any deficiencies and steps needed to come into compliance are determined.
Create response to provider using the results from the assessment	Provider will be notified of their assessment results and any areas of correction for compliance with HCBS Rule.	February 1, 2016	February 29, 2016	Assessment results	SCDHHS, provider, beneficiaries, families	Providers aware of any deficiencies regarding compliance with HCBS Rule.
Program Area notified of assessment results	Community Options program area is given a copy of the provider assessment results to monitor progress to compliance and for QA/contractual purposes	February 1, 2016	February 29, 2016	Letter to provider with assessment results	SCDHHS, provider	Program area holds provider accountable for meeting/maintaining new HCBS requirements

Section 3. Compliance Actions						
Action Item	Description	Proposed Start Date	Proposed End Date	Sources	Stakeholders	Intervention/Outcome
Policy Revisions	Community Options Division of SCDHHS will review and revise policies as necessary to reflect HCBS regulations as well as ongoing monitoring and compliance.	January 20, 2016	January 31, 2017	CMS Guidance, CFR, SCDHHS policy manuals	SCDHHS, providers, beneficiaries, families, advocacy groups	Policies reflect HCBS requirements.
Medically Complex Children (MCC) waiver document revisions	Update the MCC waiver document to reflect person-centered planning requirements (Appendix D); address settings requirements (Appendix C5)	January 20, 2016	August 26, 2016	MCC waiver document, CFR, CMS guidance	SCDHHS, providers, beneficiaries, families, advocacy groups	Waiver document reflects HCBS requirements.
Provider Training and Education	To ensure understanding of HCBS rule requirements, SCDHHS will develop and provide training/education as needed to providers, ensure ongoing compliance with requirements.	January 4, 2016	December 22, 2017	CMS Guidance, CFR, SCDHHS policies,	SCDHHS, partner agencies, providers	Educate providers on HCBS rule and its requirements.

Section 4. Communications						
Action Item	Description	Start Date	End Date	Sources	Stakeholders	Intervention/Outcome
Form Stakeholder workgroup	Invited various stakeholders to come together to address new HCBS Final Rule and provide input on plans to come into compliance.	Feb. 26, 2014	December 1, 2016	Partner Agencies, Advocacy groups, providers, beneficiaries, and families	Partner Agencies, Advocacy groups, providers, beneficiaries, and families	Monthly workgroup meetings; more frequent subgroup meetings
Tribal Notification	Notice is provided to the Catawba Indian Nation on the renewal of the waiver and a conference call is held to discuss.	April 27, 2016	April 29, 2016	Proposed waiver renewal changes	SCDHHS, Catawba Indian Nation	Any questions or concerns about waiver renewal are addressed.
Provide Notice to MCAC	Provide notice of the Waiver Renewal and the Transition plan at MCAC meeting.	May 3, 2016	May 3, 2016	Advisories to MCAC	SCDHHS, Providers, Beneficiaries, Advocacy groups	MCAC advised of Waiver renewal and when it will be submitted per agency policy.
Public Notice provided	Notice of the waiver renewal posted to the SCDHHS website, the Family Connections website, the DD Council website, sent out via listserv to any interested parties, and posted in the main SCDHHS office along with the 46 county offices.	INSERT DATE, 2016	INSERT DATE, 2016	Public notice document, MCC Waiver draft document, MCC Transition plan Draft document;	SCDHHS, Beneficiaries, families, Providers, Advocacy Groups	Public notice posted with MCC waiver document and transition plan for MCC waiver.

Section 4. Communications <i>continued</i>						
Action Item	Description	Start Date	End Date	Sources	Stakeholders	Intervention/Outcome
Public meetings conducted on Waiver Renewal and Transition Plan	Four public meetings will be held throughout state for citizens to comment on the proposed waiver renewal changes and waiver transition plan.	June 2, 2016	June 14, 2016	Public notice document, MCC waiver draft document, MCC Transition plan Draft document	SCDHHS, Beneficiaries, families, Providers, Advocacy Groups	Public notice provided with transition plan for MCC waiver; opportunity for public comment provided in person
Public comment – waiver renewal and transition plan	SCDHHS will gather public comments for review through multiple methods and will make appropriate changes to the waiver renewal and transition plan. Comments will be gathered via mail, email, and in person.	INSERT DATE, 2016	INSERT DATE, 2016	Public notice document, MCC waiver draft document, MCC Transition plan draft document	SCDHHS, Beneficiaries, families, Providers, Advocacy Groups	Public notice posted with transition plan for MCC waiver; opportunity for public comment provided in multiple formats
Public Comment collection and revisions	SCDHHS will review all comments on the waiver renewal and transition plan and make appropriate changes to both documents.	INSERT DATE, 2016	INSERT DATE, 2016	Public comments and any state response documents	SCDHHS	Public comments considered and appropriately incorporated into documents.